

**COUNTY OF SAN BERNARDINO
CALIFORNIA**

Corrective Action Plan

Year ended June 30, 2009

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-01

Program: Community Development Block Grant

CFDA No.: 14.218

Federal Agency: Department of Housing and Urban Development (HUD)

Award Year: 2008-09

Compliance Requirement: Reporting

Department's Response

We Concur.

Corrective Action Plan

The County will continue to follow the policies and procedures instituted in March of 2009 to assure timely submission of the Quarterly Cash Transaction Report.

Name of Responsible Person: Tom Anderson, Administrative Supervisor

Name of Department Contact: Tom Anderson, Administrative Supervisor

Projected Implementation Date: Implemented

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-02

Program: Community Development Block Grant

CFDA No.: 14.218

Federal Agency: Department of Housing and Urban Development

Award Year: 2008-09

Compliance Requirement: Subrecipient Monitoring

Department's Response

We Concur.

Corrective Action Plan

The County will continue to follow the policies and procedures instituted in March of 2009 to assure that the award identification is within the contract agreements between the County and subrecipients. The County will continue to monitor subrecipients' use of federal awards through site visits, regular contact, or other means that will provide reasonable assurance that the subrecipient administrators are in compliance. Subrecipients will be assessed with a risk analysis developed by Community Development and Housing and those that are deemed high risk will be monitored.

Name of Responsible Person: Bryan Anderson, Supervising ECD Analyst

Name of Department Contact: Tom Anderson, Administrative Supervisor

Projected Implementation Date: Implemented

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-03

Program: Community Development Block Grant

CFDA No.: 14.218

Federal Agency: Department of Housing and Urban Development

Award Year: 2008-09

Compliance Requirement: Cash Management

Department's Response

We Concur.

Corrective Action Plan

The County is developing procedures that will expend program income prior to entitlement funds. The department will maintain a revolving loan program that will be funded by program income and will maintain a balance of \$500,000. This program assists homeowners with loans to rehabilitate their homes and has no entitlement allocation.

Name of Responsible Person: Tom Anderson, Administrative Supervisor

Name of Department Contact: Tom Anderson, Administrative Supervisor

Projected Implementation Date: April 30, 2010

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-04

Program: Temporary Assistance for Needy Families

CFDA No.: 93.558

Federal Agency: U.S. Department of Health and Human Services

Passed-Through: California Department of Social Services and Health Services

Award Year: 2008-09

Compliance Requirement: Eligibility

Department's Response

We concur.

Corrective Action Plan

To ensure that Eligibility Workers (EWs) obtain, properly document and file the QR 7 and CW 2.1Q, and forms necessary to support eligibility. The following plans are or will be put into place with respect to each finding.

QR7

Current policy requires staff to process incoming QR7s by reviewing information reported, re-determining program eligibility, documenting the case file, and imaging all documents provided by the customer into C-IV. The current imaging process requires the Eligibility Worker (EW) to send documents to a central location in the office, where an Office Assistant (OA) scans the verification document into C-IV, verifies the image appears within the scanning system, and sends verification to the EW to verify the image is indeed within the eligibility system.

Beginning May 2010, a new imaging process/solution will be implemented. The EW will be required to scan case verification documentation themselves directly into C-IV, and instantly verify within the system the verification document has been imaged. This eliminates the possibility of documents being misplaced in between the OA and the EW.

Training for all staff on the new imaging system will take place during the month of April 2010.

Our current case review process includes questions related to quarterly reports and the forms necessary to properly document. The questions are intended to capture errors for cases without proper documentation. Errors found must be corrected within 10 days.

CW 2.1Qs

Policy material identifying regulations for obtaining Child Support Enforcement forms, and correct procedures to take, was revised and issued to staff in August 2008.

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Corrective Action Plan

Year ended June 30, 2009

Notification will be sent to staff during the month of April 2010, to remind them of Child Support Enforcement Regulations, including correct procedures.

Our current case review process includes questions related to establishing deprivation and the forms necessary to properly document the determination. The questions are intended to capture errors for cases without proper documentation. Errors found must be corrected within 10 days.

Name of Responsible Person: Nancy Swanson, Director, Department of Transitional Assistance

Name of Department Contact: Steven Couchot, Director's Assistant

Projected Implementation Date: May 1, 2010

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-05

Program: Adoption Assistance (Title IV-E)

CFDA No.: 93.659

Federal Agency: US Department of Health and Human Services

Passed-Through: California Department of Social Services

Award Year: 2008-09

Compliance Requirement: Eligibility

Department's Response

We concur.

Corrective Action Plan

To ensure that Social Workers obtain, properly document and file the DCS 460 AD and FC 8, and forms necessary to support eligibility. The following plans will be put into place with respect to each document.

DCS 460 AD

Beginning April 1, 2010, the Social Worker responsible for completing the DCS 460 AD shall be required to maintain a completed copy in the dependency case file and forward the original to the Adoption Assistance Program (AAP) Fiscal Specialist for processing and filing in the AAP case file.

FC 8

Beginning April 1, 2010, the Eligibility Worker responsible for completing the FC 8 shall be required to maintain a copy in the eligibility case file and forward the original to the AAP Fiscal Specialist for processing and filing in the AAP case file.

Please Note: The current process does not require that a copy be maintained in the dependency, nor the eligibility case file.

Name of Responsible Person: DeAnna Avey-Motikeit, Director, Children & Family Services

Name of Department Contact: Marlene Hagen, Child Welfare Services Manager

Projected Implementation Date: April 1, 2010

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-06

Program: Mental Health Services Block Grant

CFDA No.: 93.958

Federal Agency: Department of Health and Human Services

Passed-through: State of California Department of Mental Health

Award Year: 2008-09

Compliance Requirement: Sub-recipient Monitoring

Department's Response

We concur with the findings.

Corrective Action plan:

- Procedures are set in place to ensure all new contracts will contain CFDA information. Also, Department of Behavioral Health (DBH) will notify sub-recipients with current contracts via memo of CFDA title and number as required by *OMB Circular A-133*.
- We will implement procedures outlining a system to notify sub-recipients of their requirement to obtain and submit single audit reports in compliance with *OMB Circular A-133*. We will also implement a tracking system to ensure all reports are collected in a timely basis.
- DBH Audits department will increase efforts in performing financial audits with the intent to become current over the next 12 months.

Name of Responsible Person: Jason Hinkle, Supervising Accountant II, DBH Audits
Natalie Kessee, Administrative Supervisor II, DBH
Contracts

Name of Department Contact: Jason Hinkle, Supervising Accountant II

Expected Date of Completion: Immediately

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-07

Program: Block Grants for Prevention and Treatment of Substance Abuse

CFDA No.: 93.959

Federal Agency: Department of Health and Human Services

Passed-Through: State of California Department of Alcohol and Drug

Award Year: 2008-09

Compliance Requirement: Subrecipient Monitoring

Department's Response:

We concur with the findings.

Corrective Action plan:

- We will implement procedures outlining a system to notify sub-recipients of their requirement to obtain and submit single audit reports in compliance with *OMB Circular A-133*. We will also implement a tracking system to ensure all reports are collected in a timely basis.
- Department of Behavioral Health - Audits department will increase efforts in performing financial audits with the intent to become current over the next 12 months

Name of Responsible Person: Jason Hinkle, Supervising Accountant II, DBH Audits

Name of Department Contact: Jason Hinkle, Supervising Accountant II, DBH Audits

Expected Date of Completion: Immediately

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-08

Program: Medical Assistance Program (Alcohol)

CFDA No.: 93.778

Federal Agency: Department of Health and Human Services

Passed-Through: State of California Department of Alcohol and Drug

Award Year: 2008-09

Compliance Requirement: Subrecipient Monitoring

Department's Response:

We concur with the findings.

Corrective Action plan:

- We will implement procedures outlining a system to notify sub-recipients of their requirement to obtain and submit single audit reports in compliance with *OMB Circular A-133*. We will also implement a tracking system to ensure all reports are collected in a timely basis.
- Department of Behavioral Health - Audits department will increase efforts in performing financial audits with the intent to become current over the next 12 months

Name of Responsible Person: Jason Hinkle, Supervising Accountant II, DBH Audits

Name of Department Contact: Jason Hinkle, Supervising Accountant II, DBH Audits

Expected Date of Completion: Immediately

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-09

Program: Public Health Emergency Preparedness and Response

CFDA No.: 93.069

Federal Agency: Department of Health and Human Services

Passed-Through: State of California Department of Public Health

Award Year: 2008-09

Compliance Requirement: Procurement and Suspension and Debarment

Department's Response

We Concur.

Corrective Action Plan

The San Bernardino County (SBC), Department of Public Health, Preparedness and Response Program (PRP) agree with the recommendations and will implement the following corrective plan:

- PRP will contact the SBC Purchasing Department and inform them that the Buyers have not been signing purchasing documents being processed for the Program. PRP will request that the Purchasing Department have the Buyers sign the documents to implement corrective action regarding the audit findings. All discussions will be in writing and documented in PRP. The corrective action will be implemented within 10 days.
- PRP will review the Homeland Security Grant Guidelines and develop and implement a Program Policy for vendor suspension and debarment verification. The EPLS website will be reviewed on a regular bases and prior to awarding any contract for the monitoring and detection of any vendor issues regarding suspension and debarment. The corrective action will be implemented within 90 days.

Name of Responsible Persons: Russell Tingley, Public Health Program Manager
Matt Baca, Public Health Program Coordinator

Name of Department Contacts: Russell Tingley, Public Health Program Manager
Matt Baca, Public Health Program Coordinator

Project Implementation Date: June 30, 2010

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Corrective Action Plan

Year ended June 30, 2009

Finding 2009-10

Program: Public Health Emergency Preparedness and Response

CFDA No.: 93.069

Federal Agency: Department of Health and Human Services

Passed-Through: State of California Department of Public Health

Award Year: 2008-09

Compliance Requirement: Equipment and Real Property Management

Department's Response

We Concur.

Corrective Action Plan

The San Bernardino County (SBC), Department of Public Health, Preparedness and Response Program (PRP) agree with the recommendation and will implement the following corrective plan:

- PRP will implement an electronic inventory system which will provide a sophisticated indexing system, increased monitoring capability, stricter access controls, tracking of assets and dollar amount including an annual reconciliation of inventoried assets. The corrective action will be implemented within 120 days.

Name of Responsible Persons: Russell Tingley, Public Health Program Manager
Matt Baca, Public Health Program Coordinator

Name of Department Contacts: Russell Tingley, Public Health Program Manager
Matt Baca, Public Health Program Coordinator

Project Implementation Date: July 31, 2010

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-11

Program: State Homeland Security Grant Program Cluster

CFDA No.: 97.067

Federal Agency: Department of Homeland Security

Passed-Through: California Emergency Management Agency

Award Years: 2006 and 2007

Compliance Requirement: Subrecipient Monitoring

Department's Response

We Concur.

Corrective Action Plan

1. The department will be establishing a new procedure to ensure that the subrecipient takes timely and appropriate corrective action on all single audit findings. If corrective action is not implemented by the subrecipients, the Division Manager of OES will recommend a course of action to the Assistant Chief and Division Manager of Management/Fiscal Services. The course of action may include termination of subrecipient's contract and denial of any future subrecipient's application.
2. The department will be assigning a specific staff person to be responsible in obtaining a copy of the single audit report and corrective action plan for any finding from each subrecipient that expended \$500,000 or more in Federal awards during the subrecipient's fiscal year.
3. The department will notify each subrecipient, via a memorandum, of the CFDA number in prior grant year's agreement. Each subrecipient will be required to acknowledge receipt of the memorandum. The CFDA number will be added to all new subrecipient agreements.

Name of Responsible Person: Denise L. Benson, Division Manager

Name of Department Contact: Yolanda T. Daugherty, Administrative Supervisor

Expected date of completion: June 30, 2010

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-12

Program: State Homeland Security Grant Program Cluster

CFDA No.: 97.067

Federal Agency: Department of Homeland Security

Passed-Through: California Emergency Management Agency

Award Years: 2006 and 2007

Compliance Requirement: Equipment and Real Property Management

Department's Response

We Concur.

Corrective Action Plan

1. The department will continue to utilize the Instock software to record and track all equipment and supplies purchased with Homeland Security Grant Program (HSGP) funds to ensure that they are properly maintained and accounted for.
2. The department plans to complete the physical inventory of grant funded assets for Public Health by July 31, 2010, County Fire by September 30, 2010, and the Sheriff's Department by November 30, 2010. Staff will be providing the new timetable to each department representative and require them to complete and expedite the search of all HSGP grant funded assets at their individual locations within the given timeline. In addition, the department is going to draft a new policy and procedure (for department review and implementation by November 30, 2010) that will require all subrecipients to certify their grant funded equipment and supplies annually by filling out an annual grant funded equipment form.
3. The department will be adopting a new procedure (for department review and implementation by November 30, 2010) and will amend County Fire directive #1251 specifically addressing the physical inventory.

Name of Responsible Person: Denise L. Benson, Division Manager

Name of Department Contact: Yolanda T. Daugherty, Administrative Supervisor

Expected date of completion: November 30, 2010

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-13

Program: State Homeland Security Grant Program Cluster

CFDA No.: 97.067

Federal Agency: Department of Homeland Security

Passed-Through: California Emergency Management Agency

Award Years: 2006 and 2007

Compliance Requirement: Procurement, Suspension and Debarment

Department's Response

We Concur.

Corrective Action Plan

The department has already corrected this problem. In December 2008, the department was audited by the State and found the same compliance issue. Since then, we required each jurisdiction to submit a sole source form for review and approval by the State prior to incurring the costs.

Name of Responsible Person: Denise L. Benson, Division Manager

Name of Department Contact: Yolanda T. Daugherty, Administrative Supervisor

Expected date of completion: Implemented

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-14

Program: State Homeland Security Grant Program Cluster

CFDA No.: 97.067

Federal Agency: Department of Homeland Security

Passed-Through: California Emergency Management Agency

Award Years: 2006 and 2007

Compliance Requirement: Reporting

Department's Response

We Concur.

Corrective Action Plan

As of June 30, 2008 County Fire had not filed for a reimbursement with the State for the above expenses. Since we had not filed the claim by June 30, 2008 and it takes 90 or more days for the State to reimburse for a claim we did not believe we should accrue the revenue. Therefore in order to keep expenditures matching revenues we did not accrue the expense.

Beginning fiscal year 2009-10, the department will start accruing grant expenditures that are incurred during the year and the corresponding grant revenues that were earned. This will ensure that the expenditures reported on the County's SEFA are complete and accurate.

Name of Responsible Person: Denise L. Benson, Division Manager

Name of Department Contact: Yolanda T. Daugherty, Administrative Supervisor

Expected date of completion: June 30, 2010

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-15

Program: Child Support Enforcement

CFDA No.: 93.563

Federal Agency: Department of Health and Human Services

Passed-Through: California Department of Child Support Services

Award Year: 2008-09

Compliance Requirement: Reporting

Department's Response

The Department of Child Support Services (DCSS) concurs.

Corrective Action Plan

The Department of Child Support Services agrees with the recommendation. The department will ensure that staff understands the timeline for preparing and submitting the report.

Name of Responsible Person: Cynthia Hinckley, Deputy Director
Department of Child Support Services

Name of Department Contact: Victor Rea, Assistant Director
Department of Child Support Services

Projected Implementation Date: Ongoing

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Finding 2009-16

Program: Workforce Investment Act

CFDA No.: 17.258, 17.259, 17.260

Federal Agency: Department of Labor

Passed-Through: California Employment Development Department

Award Year: 2008-2009

Compliance Requirement: Eligibility

Department's Response

We concur.

Corrective Action Plan

The State of California Employment Development Department (EDD) has oversight responsibility of the federal Workforce Investment Act (WIA) and Wagner-Peyser programs. On July 1, 2008, the Department of Workforce Development (WDD) entered into an agreement with EDD to implement an Integrated Service Delivery model (Integration) to provide services to customers coming through the Employment Resource Centers (ERC) in the One Stop system. This model is designed for co-enrollment into WIA and Wagner-Peyser programs in order to provide ERC customers with seamless service delivery. Prior to implementation of Integration, WDD and eleven (11) additional Local Areas received Directives and other formal notices from EDD stipulating allowable changes to our method of operation. Those directions included the ability to become paperless if the Local Area utilized an approved electronic case management systems (CMS). The Virtual One Stop (VOS) system utilized by WDD was one of the CMS approved by EDD. VOS contains eligibility determination screens that have edit checks in place. These checks require staff to verify that they have observed each required eligibility document for each category of eligibility before the system allows them to move on to the next data field. Enrollment into WIA cannot be achieved until all eligibility fields have been properly verified and entered. All twelve (12) Integrated Local Areas were assured by State EDD that California had received approval from the federal Department of Labor (DOL) to allow Integrated Local Areas to become paperless and therefore eliminate hard case files. Based upon directions and assurances from State EDD, WDD implemented Integration and revised its case file procedures accordingly. WDD submitted the required Integration Plan to State EDD and entered into a formal Memorandum of Operation with the local EDD partner. State EDD approved and accepted WDD's Plan. WDD implemented its new paperless procedures effective July 1, 2008.

During this Single Audit review it became clear that following EDD guidance regarding the maintenance of eligibility documents for Integrated Local Areas did not meet OMB compliance requirements. Effective February 25, 2010, WDD implemented formal procedures that require staff to obtain and maintain hard copies of all required documents used to support eligibility compliance for each WIA participant.

COUNTY OF SAN BERNARDINO, CALIFORNIA

Corrective Action Plan

Year ended June 30, 2009

Name of Responsible Person:	Sandra Harmsen, Director Janice Lindsay, Deputy Director
Name of Department Contact:	Janice Lindsay, Deputy Director
Expected Date of Completion:	Ongoing